



February 27, 2023

Environment Committee
Legislative Office Building, Room 3200
Hartford, CT 06106

Senator Lopes and Representative Gresko,

Wine Institute, a public policy association of over 1,000 California wineries and affiliated suppliers dedicated to advocating for the responsible consumption and enjoyment of wine, would like to voice its opposition to H 6664, "An Act Managing Waste and Creating a Waste Authority". The California wine industry is committed to sustainability with an impressive 80% of California's total wine production certified under a statewide sustainability program. This sustainability program encourages the use of products with recycled content, reusability, takeback or recyclable packaging, and non-toxic materials. Wine Institute is committed to participating in discussions regarding the development of efficient, cost-effective means for handling wine packaging. While we support the objective of recovering more wine packaging, we believe HB 6664 is problematic in its approach and costs.

The program envisioned in this bill is overly broad, costly, bureaucratically burdensome and unnecessarily complicated. The bill imposes aggressive timelines and recycling and rates which would pose enormous barriers to the packaging and marketing of wine which requires a significant amount of lead time to produce, bottle and ship. The bill also provides no shared responsibility to encourage consumers to be good stewards of the packaging which is crucial to a healthy recycling system.

Wineries need to be able to calculate the cost of doing business in order to make choices on where and how to efficiently expend resources and sell products. Therefore, any fee paid by producers to be part of a PRO should be easily calculated by the producer.

Effective EPR programs are industry-run with limited government oversight

It is most efficient for a PRO to have autonomy to decide all issues relating to the recovery and recycling of the materials they utilize. State involvement should be limited to approving an initial PRO plan, conducting compliance audits and reviewing subsequent PRO plans every five years.

Further, the fees that producer members pay a PRO should be used for the core mission of recycling covered products. Driven by rising costs and supply chain limitations, producers are already assessing their packaging and striving to increase recycling rates and post-consumer recycled content. What producers need is a vehicle to lawfully collaborate on such efforts

without triggering anti-trust concerns. Government involvement triggers fees and unnecessary oversight.

Domestic wineries have been battered by COVID-19 tasting room restrictions and shutdowns in 2020, unprecedented wildfires and trade tariffs. Losses to the US wine industry are estimated at \$1.4 billion with an additional \$3.7 billion in lost future sales. Wineries are in no position to absorb additional layers of fees, reimbursements and penalties proposed in these bills. Such increases in the cost of doing business as proposed under this legislation would necessarily be passed on to Connecticut consumers in the form of higher prices.

Effective EPR programs share responsibility between producers and consumers

Shared responsibility between producers and consumers is a common feature of successful EPR programs outside the US. While producers pay membership fees to support a PRO to conduct assessments and propose goals, consumers should also assume some responsibility. Consumer responsibility initiatives should be outlined in preliminary statewide needs assessments and can take various forms, such as:

- “Pay as you throw” waste policies that charge consumers for garbage collection and hauling by weight, incentivizing consumers to recycle as much as possible to reduce their garbage bill;
- Charging “tipping fees” so it is not cheaper to landfill than to recycle. If tipping fees increase or there are penalties to waste companies that landfill recyclables, waste companies will raise rates, also incentivizing consumers to recycle as much material as possible;
- Paying a non-refundable “eco fee” or “container recycling fee” at the time of purchase; and
- Eliminating single stream recycling, which requires additional consumer labor to separate materials into various bins to keep other recyclable material from contaminating glass, for example.

Wine Institute would respectfully request that you reject this legislation as written. We would urge you to consider conducting a statewide needs assessment prior to deciding to implement a PRO system. Such an assessment would help determine key factors such as costs and infrastructure needs. It should also include input from those who would be charged with funding and running the program. Such an assessment would help insure the program’s effectiveness, feasibility and success.

Thank you for your thoughtful consideration.

Respectfully,

Carol A. Martel
Northeastern Counsel
Wine Institute